

APPENDIX B: IN-DEPTH INTERVIEW GUIDE FOR OFFSITE MANUFACTURERS AND DEALERS

OPENING

Interviewer: Introduce self and any/all notetakers on the line (if applicable), provide organization name and thank respondent for their time. Give an overview of the process (for example, “I’ll start by reading a little bit of background information and consent, and make sure we cover any questions before starting”).

Ask whether the respondent has any questions before beginning the interview.

ORAL INFORMED CONSENT

Thank you for taking the time to speak with us today as a part of the research that 2M is conducting for the U.S. Department of Housing and Urban Development, or HUD.

As I mentioned, I am [interviewer name] from 2M Research and I have with me [notetaker name], also of 2M Research, who will be taking notes during the interview. Our discussion should last approximately 45 minutes. There are no right or wrong answers, and you can refuse to answer any questions you do not want to answer. Your participation in this interview is voluntary, and you may stop participating at any time. At a later point, we will explicitly ask you for permission to record the interview. There will be no negative consequences if you choose to stop participating or choose not to have the conversation recorded or if you choose not to participate at all.

The purpose of this interview is to learn more about barriers and drivers you may have experienced related to the financing, siting, and development of factory-built housing systems across the United States. Factory-built housing, also known as offsite manufacturing, refers to housing that is manufactured off site, typically in a factory setting, such as modular homes, panelized building systems, and manufactured homes (or HUD Code homes). 2M and HUD will use this information to inform emerging, promising practices for factory-built housing to be part of an affordable housing mix within communities.

During this interview, we would like to discuss barriers that your customers (such as developers, home buyers, or dealers) have encountered related to financing and siting factory-built housing, ways you have addressed these barriers, and any recommendations you may have for HUD to lessen these barriers. While these barriers may vary, a general way to define them is any rule or policy that is more burdensome on factory-built homes compared to conventional site-built homes. Such barriers could take the form of land use regulations, zoning, or administrative requirements that may hinder the development of factory-built housing in the community.

All information you share will be treated in a secure manner and will not be disclosed, unless otherwise compelled by law, to those outside of 2M and HUD until final reports and/or case studies are published.

There are minimal risks to those who participate. The benefit of participating in this study is that your organization’s experiences will help HUD and other policy makers understand the types of successes and barriers you and your organization have faced.

If you have questions about this study after this interview, please email Mary Ann Latter, the study's project director, at mlatter@2mresearch.com.

Before we begin, we would like to ask your permission to audio record our discussion so that we can ensure our notes are accurate and complete. The audio recordings will be deleted once the project is complete in August 2021.

Can we audio record this conversation?

- Yes
- No

Do you have any other questions before we begin?

DISCUSSION GUIDE

Respondent Background

INTERVIEWER: INSTRUCTIONS TO THE INTERVIEWER ARE PROVIDED IN RED AND BOLD LETTERS. QUESTIONS THAT SHOULD BE ASKED ONLY TO MANUFACTURERS/DEALERS OF MULTIFAMILY STRUCTURES ARE IN BLUE.

Thank you for agreeing to speak with me. First, I'd like to get a better understanding of your company and your role, the market segments you serve, and your experience with developers or customers as they attempt to site or finance factory-built housing units in their communities.



Discussion Points		Probes
Manufacturer/Dealer Background	Manufacturer/Dealer Background	
	Q1. What is your role in the company?	
	Q2. Does your company only produce factory-built homes or only sell factory-built homes or both?	<ul style="list-style-type: none"> In addition to housing units, are you involved in other types of offsite construction?
	Q3. With respect to factory-built housing, which of the following market segments does your company serve? <ul style="list-style-type: none"> Manufactured housing (HUD Code) Modular housing Panelized building systems Tiny homes ADUs (additional dwelling units) Container homes Recreational vehicles 	<ul style="list-style-type: none"> Approximately how many of each type of factory-built home did you [PRODUCE/SELL] last year? <ul style="list-style-type: none"> [FOR (HUD CODE) DEALERS/PRODUCERS] Are most of the units you [PRODUCE/SELL] single-section (single-wide) or multi-section units? [FOR DEALERS ONLY] Are there any particular manufacturers you source products from? If so, why these particular ones? Are there particular reasons why you [PRODUCE/SELL] [types of housing confirmed in Q3] and not others? (Example: Compliance with regulations are easier or market is larger for the types [PRODUCED/SOLD]?)
	Q4. Do you [PRODUCE/SELL] multifamily factory-built housing units? [IF YES, ASK ADDITIONAL PROBING QUESTIONS IN THE NEXT SECTIONS SHOWN IN BLUE]	
Q5. In which U.S. states are the majority of your homes sold?		

Process (Marketing, Supply Chain, Regulatory Barriers and Successes)

Next, I would like to focus on federal, state, and local regulations and how these impact the design, manufacture, and marketing of housing units that you [PRODUCE/SELL] as well as how you are able to overcome any barriers these regulations may cause.



Discussion Points	Probes
<p>Marketing of Units</p>	
<p>The first set of questions I have are about marketing.</p>	
<p>Q.6. Who do you market your homes to? Do you market directly to any of the following?</p> <ul style="list-style-type: none"> • Homebuyers • Developers • Contractors • Park managers • 	<ul style="list-style-type: none"> • Please describe the typical buyer of the homes you produce • Could you describe what customer segment your products target? (Example: High-end, affordable housing, etc.)
<p>Q.7. What role do land or subdivision developers play in the marketing of your homes?</p>	<ul style="list-style-type: none"> • Do you work with private developers? Nonprofit developers? • Please describe the working relationship with developers. Benefits? Challenges?
<p>Q.8. What is the most significant marketing challenge that you face?</p>	
<p>Supply Chain</p>	
<p>Now, I have a few questions about your supply chain.</p>	
<p>Q.9. You mentioned the states you sell units to. Could you explain why these states specifically?</p>	<ul style="list-style-type: none"> • Are you also looking to expand supply to other states? What are the regulatory challenges in doing that? • How about for multifamily structures?
<p>Q.10. Are there any significant logistical challenges you've encountered in bringing factory-built homes to the site?</p>	<ul style="list-style-type: none"> • Can you describe any difficulties around transporting units? • Do these challenges imply additional costs? • What are the logistical challenges that occur when bringing multifamily structures to the market?



Discussion Points	Probes
<p>Local Regulatory Environment</p>	
<p>Now, I have a few questions about the local regulatory environment in the communities you serve.</p>	
<p>Q.11. Do local regulations around siting of factory-built housing influence where you decide to market or sell your units?</p>	<ul style="list-style-type: none"> • Can you please explain why? • Can you provide any examples of places where it is especially difficult or especially easy to site factory-built units? • What are the most significant barriers? <ul style="list-style-type: none"> o (Example: Different kind of permits, zoning) o How do the regulations in different counties compare? o Are regulations similar to those for site-built homes? • Do these regulations impact costs?
<p>Q12. In which U.S. states is it most difficult to secure local approval for factory-built housing units or manufactured home developments?</p>	<ul style="list-style-type: none"> • Could you explain why? What are the challenges? • Are there some counties or states where securing local approval is easier or more streamlined than in others? •
<p>Q13. Is your company involved in the financing of these factory-built units?</p>	<ul style="list-style-type: none"> •
	<ul style="list-style-type: none"> • Do the financing options depend on the county/state where the unit is being sited? • Does the titling of the property affect financing options available? (Example: Titled as real property or personal property) • Is loan availability a barrier? Are the loan terms different from loan terms for site-built homes? • Any other financing barriers?
<p>Q15. Have you changed your production/ marketing strategies in response to local regulatory barriers to factory-built housing? Please explain.</p>	



	Discussion Points	Probes
Recommendations	HUD Code Approval Process [ONLY FOR <u>MANUFACTURERS OR DEALERS OF MANUFACTURED HOMES</u>] I would like to talk with you about the HUD Code approval process.	
	Q16. Can you describe how the HUD Code approval process affects the manufacture, design, and cost of manufactured homes?	<ul style="list-style-type: none"> • How would you compare the HUD Code process to traditional building codes? • What are the most difficult HUD Code requirements to satisfy? Why? • What modifications to the HUD Code or the HUD Code approval process would you recommend?
	Q.17. Do any of the homes you [PRODUCE/SELL] require an Alternative Construction (AC) letter? [IF YES] Could you provide a brief overview of the process?	<ul style="list-style-type: none"> • Under what circumstances are an AC letter needed? • How does the AC letter differ from the standard HUD Code (MHCSS) approval? • What modifications to the AC letter process would you recommend?

Recommendations

	Discussion Points	Probes
Recommendations	Q18. What are the most significant potential successes or challenges facing your firm over the next 10 years?	<ul style="list-style-type: none"> • What are strategies that would help to increase the adoption of factory-built housing? • What local, state, and/or federal policy changes would enable your firm to be more successful? (Example: streamlining regulatory approval processes)
	Q19. What changes in regulatory approval processes or logistics would allow you to [PRODUCE/SELL] your homes at a lower price to prospective buyers, or as an affordable housing option?	<ul style="list-style-type: none"> • Why would these changes be helpful? • What are the primary barriers to adopting these cost-saving innovations? • What kind of changes would increase the adoption of factory-built housing (as opposed to conventional homes) as an affordable housing option? • Are there any changes that can be made to increase the utilization of multifamily factory-built structures? Please explain.

That completes our interview. I appreciate you taking the time to speak with me today. Thank you again!